

STATE OF WISCONSIN  
BEFORE THE ARBITRATOR

RECEIVED  
JAN 04 1991  
WISCONSIN EMPLOYMENT  
RELATIONS COMMISSION

-----  
In the Matter of the Petition of :  
LA CROSSE COUNTY HIGHWAY EMPLOYEES : Case No. 118  
LOCAL 227, AFSCME, AFL-CIO : No. 43366 INT/ARB-5526  
To Initiate Arbitration : Decision No. 26578-A  
Between Said Petitioner and :  
LA CROSSE COUNTY :  
(HIGHWAY DEPARTMENT) :  
-----

Appearances:

Wisconsin Council 40 AFSCME, AFL-CIO by Daniel R. Pfeifer,  
Staff Representative, on behalf of all County Highway  
and Park's Employees, excluding Office, Engineering,  
Supervisory and Confidential Employees.

La Crosse County (Highway Department) by La Crosse County  
Personnel Director, Robert B. Taunt, on behalf of the  
Employer.

ARBITRATION AWARD

La Crosse County Highway Employees, Local 227, AFSME, AFL-C10, hereinafter referred to as the "Union" or "Employees", and La Crosse County (Highway Department), hereinafter "County" or "Employer", were unable to resolve the remaining issues in their negotiations over the terms to be included in their 1990 - 1991 Collective Bargaining Agreement. The prior agreement covered the period from January 1, 1988 through December 31, 1989.

The Wisconsin Employment Relations Commission caused a mediation hearing to be conducted pursuant to Wis. Stat. §111.70(4)(cm)6 on March 26, 1990. A representative of the Commission declared negotiations were at an impasse after the parties submitted their final offers on July 30, 1990. The undersigned was selected by the parties to arbitrate the dispute, and was appointed by the Commission on August 20, 1990.

An Arbitration Hearing was conducted at the La Crosse County courthouse on October 16, 1990. At that hearing, both parties submitted a series of exhibits and presented sworn testimony into evidence. No transcript of the verbal testimony was requested. The parties agreed to hold the record open in order to permit corrections to, and comments upon, the exhibits for a period of 10 days. The record was closed on October 29, 1990. The parties exchanged initial briefs through the arbitrator on November 29, 1990. The County exercised its option to file a response to the Union's brief. That response was received on December 10, 1990.

#### ISSUES IN DISPUTE

The final offers of the parties reflect differences relating to:

1. Health Care coverage and reimbursement for health care premium cost.
2. Reimbursement for dental insurance premium cost.
3. The amount and timing of wage increases.
4. Union requested changes in contract language relating to:
  - A. Incremental use of vacation time.
  - B. Reservation of rights for employees who take a voluntary demotion.
5. The reclassification of a position from pay grade 6 to pay grade 5 which was requested by the Union.

Both parties have addressed each of the issues noted above on the record and in their briefs. The principal reason for the impasse in this case is the county's proposal that it no longer pay 100% of the premium for the existing "High Level of Benefits Standard Plan". That disagreement about health insurance extends to the dispute over which party should bear the cost of increased dental insurance premiums.

## THE ARGUMENTS OF THE PARTIES

Because the disagreements over health and dental premium payments are the critical issues in this proceeding the position of the parties on these matters will be reviewed separately. The parties' positions on other issues will be considered in the discussion section of this decision.

### THE UNION'S POSITION

The Union argued that under the previous contract the Employer was required to pay 100% of the premium for the "High Level Standard Plan". The Employer is attempting to change the status quo by either reducing its contribution to 95% for the standard plan, or by permitting employees to select a health plan with lesser benefits at no cost to the employee. It stated that the Employer's wage offer at 4.28% did not equal the 1989 cost of living increase of 4.5%. The Employer's offer, therefore, does not contain a "quid pro quo" to justify its proposed change in the health insurance benefit. It cited a previous Buffalo County arbitration case which said, "that changes that have significant economic impact probably call for more of a quid pro quo than other types of non-economic changes".

The Union argued that other settlements in La Crosse County did not support an internal comparable argument because there is no consistent pattern of health care contributions by other county employees. It argued that not only does the percent of other employee contributions vary between 4.4% and 10%, but some employees began contributing toward premium cost as early as 1982. The employees in this dispute have never contributed toward health insurance. It cited a 1983 Dane County arbitration decision which noted that "the most persuasive comparisons are these which the parties themselves have found persuasive in past negotiations".

The Union argued that the county's proposal would not reduce premium cost, but would shift part of the cost to employees. It cited previous arbitration decisions which stated that "cost shifting ... will have, at best, a marginal impact", on health care costs. Another decision stated, "The [Employer] has not offered any explanation of how its proposal to add dollar caps will solve the problem of escalating insurance costs, and has not adequately identified the quid pro quo for its co-payment proposal, and has thus failed to meet its burden." The County has failed to meet its burden of showing that contract language requires change, the proposed change in language remedies the situation, and that the proposal change does not impose an unreasonable burden upon the other party. The county does not have to make unemployment compensation or retirement contributions on health insurance premium payments. Those contributions would be required if the county had to pay greater wages to compensate for reduced health insurance benefits. It concluded by arguing that since many comparable counties pay 100% of all health insurance premiums that the county's offer is not supported by an external comparable argument.

The Union argued that the employee's contribution toward dental insurance had been capped at \$2.62 and \$7.63 for single and family coverage respectively since 1985. It argued that when the total dental premium decreased in 1989, the County benefitted. It is not equitable for the Employer to require the employees to share in the cost of increased premiums in 1990, because the employees did not share in the benefit of reduced premiums in 1989. The County is attempting to change the status quo with regard to this benefit; therefore, all of the arguments previously made relating to the health insurance issue are applicable to increasing the employees contribution toward dental insurance. A comparison of the amounts being contributed by other county employees toward dental insurance supports the Union offer. The Employer is attempting to impose the agreement it has achieved from the smaller NON-AFSCME units upon the dominant

bargaining unit. There is no evidence in the record to show that the county did not offer a substantial quid pro quo in order to achieve the agreement from the smaller bargaining units.

### The County's Position

The Employer explained its proposals to phase in the employees' contribution of 5% toward health insurance premiums and to increase the employees' contribution to dental insurance by the same percent as dental insurance premium, inflation commencing on July 1, 1990. It argued that these proposals are fair and equitable. Between 1980 and 1990 health insurance premiums for single and family coverage have increased by 288% and 277% respectively. Dental insurance premiums increased by 43% between 1989 and 1990. During this period of time, the county and its employees have adopted numerous cost containment measures. Among these measures was the change from third party insurance to self funded plans for both health and dental insurance. In 1988, the county first offered the "Health Monitor Plan" as an alternative lower cost health plan. The Monitor Plan which provides for 20% co-payment was first offered to general county employees. All county employees have contributed between 21% and 28% of the cost of dental insurance since 1985. At this time all county employees, except for the members of this bargaining unit, are required to contribute between 4.4% and 10% of the cost of the High Level Standard Health Insurance Plan. As an alternative, all employees, except for members of this bargaining unit, have been able to choose coverage under the lower cost Monitor Plan without contributing toward the premium. Only the members of this bargaining unit have been able to continue to receive coverage under the High Level Standard Plan without contributing toward the cost of that more expensive benefit.

The county argued that its offer that all county employees be required to contribute a minimum of 5% in order to continue to receive coverage under the High Level of Benefits Standard Plan

is equitable and is supported by both internal and external comparable settlements. It stated that Union groups contribute 5% toward health insurance except for 2 unions which are in the second year of their contracts. Under the terms of those contracts, the employer's dollar contribution during the second year is frozen at the first year level of contribution. This is the same offer which was made to the employees in this arbitration. Most non-union employees and supervisory personnel contribute 10% of the premium cost to the Standard Plan. Under the Employer's offer, the employees in this bargaining unit would have the option of continuing existing Standard Plan coverage by contributing 5% to the cost, or they could select the Monitor Plan at no premium cost. This option is comparable to the choice available to the majority of other La Crosse County employees.

The County then reviewed the health insurance benefits provided to employees in Dodge, Eau Claire, Fond du Lac, Manitowoc, Marathan, Sheboygan, Walworth, Washington, and Wood Counties with its offer. Four of those counties require employee contributions ranging from 20% to 5% of premium cost. Five of the counties do not require any employee contribution. It also cited Jackson, Monroe, Trempealeau, and Vernon Counties as contiguous counties for comparison. Vernon County requires a 25% employee contribution and Monroe County a 13% contribution toward health care premium. The county then noted that only Dodge and Walworth provide dental insurance without any Employer contribution. Eau Claire, Fond du Lac, Washington, and Wood do not provide any dental insurance. Manitowoc, Marathon, and Sheboygan Counties do provide dental insurance and require employee contributions. None of the four counties contiguous to La Crosse provide dental coverage. The Employer concluded that its offer for health and dental coverage was most comparable to benefits provided in other comparable counties. After reviewing its wage offer, the Employer argued that it had provided "an excellent quid pro quo . . . in exchange for their contribution to health insurance premiums".

The County reviewed a series of previous arbitration cases decided between 1978 and 1990. The cited decisions discussed "contract language giv[ing] rise to conditions that require a change", remedies and burdens of proof. They also reviewed the importance of internal and external comparability and their relevance in evaluating fringe benefit offers. The Employer concluded that its offer met the standards to require changes in health and dental insurance benefits.

#### DISCUSSION

The Union has urged that those twelve counties which were considered comparable in a 1977 arbitration proceeding should be used as comparable herein. The County stated that it, "has traditionally used all of the counties that are within plus or minus 25% population in the State of Wisconsin as comparable counties". As a result, the Union list of comparables includes four counties, Jefferson, Ozaukee, Monroe, and St. Croix, which are not included in the Employer's comparables. The County also provided data from those four counties that are contiguous to La Crosse County. The peer group selection in 1977 was based upon the language of Wis. Stat. §111.70(4)(cm)7.d. as the statute was then written. This arbitrator believes that the revision of Sub 7.d. into Sub 7.d. and 7.e. now requires an arbitrator to compare the parties' respective offers for wages, hours and conditions of employment with other public employees performing similar services generally. After that comparison has been made, one compares wages, hours, and conditions of employment in comparable communities. Based upon that determination, all of the comparisons suggested by both parties have been considered in arriving at this decision.

The data each party has submitted for its preferred list of comparables is fragmentary. Because of the dearth of reliable information for either/both sets of preferred comparables, all of the data has been relied upon. For the purpose of arriving at

this decision, the Union's suggested list of comparables is more reasonable than the less comprehensive list suggested by the County. Jackson County with a population of 16,405; Monroe population 36,141, Trempealeau population 25,855, and Vernon population 26,012 have not been considered as comparable to La Crosse, population 96,049. Information relating to these contiguous counties has been weighed in arriving at this decision.

#### HEALTH CARE & DENTAL INSURANCE

Both parties have stated that the principal issue in this proceeding is the County's insistence that the employees in this bargaining unit begin making a direct contribution toward the cost of the existing health insurance benefit, or accept a reduced benefit at no direct premium cost. The Employer argued, "The Union seeks to continue the status quo long beyond the point of being reasonable". The Union argued that the County has not offered quid pro quo. Financial data about this crucial issue in the record is very incomplete. No cost information or projections are available for the 1991 contract year. No total cost information is presented for either La Crosse County or any other county for contract year 1990. The arbitrator has thoroughly reviewed all of the financial information which has been presented. For the purpose of reducing the length of this analysis, reference is being made to the cost of family coverage only. A parallel analysis of the cost of employee only coverage yields a similar conclusion.

Between 1980 and 1990, La Crosse County's premium for family health insurance has increased from \$85.29 per month to \$321.83 each month. This \$236.54 monthly increase is equal to 277% over ten years. The cost of the benefit at \$321.83 during the first year of this 1990 - 1991 contract is \$85.08 or 27.8% greater than during 1988, the first year of the prior contract, which was agreed to between these parties.

The existing health plan has been referred to as the "High Level of Benefits Standard Plan". No information about benefits available under the plan is available except that it contains front-end deductibles. Knowing that employees in five of thirteen comparable counties do or do not contribute toward the cost of health insurance is meaningless unless we know the value of the insurance benefit. The best information about value is presented in Union Exhibits 15 & 16 which summarize and supplement information contained in Union Exhibits 31-48. The latter are portions of contracts for the thirteen counties the Union has relied upon as comparables.

In five of these comparable counties, employees will make no contribution toward health insurance in 1990. Very little information about the level of benefits provided in these counties is available. In Eau Claire, the employer pays 100% of the standard plan premium. Employees may elect one of two alternative plans but are responsible for paying any premium in excess of the Eau Claire Standard Plan Cost. Manitowoc County pays 100% of the premium. There is no description of coverage; "which may not be changed without the mutual written consent of the parties except that," the employer may improve coverage. Marathon County is similar to Manitowoc except that its contract provides, "any changes in minimum coverage mandated by State or Federal law shall be implemented by the County as soon as possible. However, neither party waives its right to bargain the impact of such changes." Ozaukee County pays the full cost of group health insurance under the county's standard plan or under any HMO Plan offered by the County. Its contract established a cost containment committee with broad responsibility to explore measures to contain cost.

Walworth County's 1990 - 1991 Contract requires the County to pay 100% of the premium. It describes the policy as, "the County's basic group hospitalization - surgical care and major-medical insurance plan (maximum benefit \$250,000)".

It is not possible to determine whether or not one comparable county will require any employee contribution. Available data does not permit an evaluation of the benefit package in Sheboygan County. Sheboygan's contract extends through 1992. It provides for whatever coverage is approved by County Board Resolution. Changes in coverage must be negotiated with the Union. "Sixty days prior to the expiration date of the insurance plan the parties agree that a new plan be negotiated."

Seven of the Union's comparables will apparently require some employer contribution during 1990. The evidence does not permit any quantitative assessment of either the extent or amount of the contributions. Dodge County's 1989 contract provided that the County would pay \$271 per month toward the premium for family coverage. Its 1990 - 1991 contract requires the County to pay 95% of the cost. In the unlikely event that there was no increase in premiums during 1990 and 1991, Dodge County employees would contribute \$13.55 toward their insurance.

Fond du Lac's 1989 - 1990 contract gave its employees the choice of two plans. In 1989 the employer contributed \$215 toward either plan. The employee contribution toward the least expensive plan, with \$100 deductible was \$3.00. Employees paid \$27 or 11% of the cost of the more expensive plan. That contract required the employer to pick up any premium increase up to \$25 in 1990. Any increase above \$25 is split evenly between the employer and employees. According to La Crosse County exhibit #8, Fond du Lac County is paying 95% toward the less expensive option and 80% of the more expensive plan during 1990.

Jefferson County's contract for calendar years 1989 and 1990 merely provides for the County to pay \$229.18 per month for family health insurance. Monroe County employees contributed \$38 per month in 1989. That County's 1989 - 1990 contract provided that "Effective January 1, 1990, the employer and employee shall contribute toward such premiums based on percentages." (employer 87% and employer 13%). The employee contribution shall not exceed \$51. From the contract language, it appears that Monroe

County employees contribution toward health insurance increased from \$25 per month in May 1989 to \$38 commencing July 1989 and may increase to \$51 per month by December 1990. The \$51 employee contribution assumes a total premium cost of \$392 per month in December 1990.

St. Croix County's 1989 - 1990 contract required the County to contribute "\$220 per month to be applied toward health insurance premiums in 1989". If both spouses are employed by the County, only one is eligible for coverage, but the county will pay the full premium for that spouse (The Arbitrator assumes this is family coverage through the insured spouse). The county assumed 90% of any premium increase during 1989 and 1990.

Washington County's contract runs from July 1, 1989 through June 30, 1991. It provides for the County to pay \$220 per month commencing January 1, 1990; \$230 per month in 1991 and \$240 per month in 1992. Any premium cost in excess of the specified amounts are to be shared equally by the County and the employee.

No information was presented for Wood County after December 31, 1989. Its 1988 - 1989 contract provided for the employer to pay 88% and the employee to pay 12% of the premium for group health insurance. That contract also authorized the then existing coverage to be revised to include a pre-authorization procedure and required the County to offer a HMO option. It provided that the County would pay an amount equivalent in dollars to HMO coverage, and provided that if the County increased its contribution for regular county insurance the increase would also apply to the HMO.

All available information relating to health insurance costs and the responsibility for paying premium changes is set forth upon Schedule A herein. (Note Page 11A) It is apparent that a great deal of information is missing. The information which is available, however, does provide a sufficient basis to compare the offers in this proceeding with policies which have been established in seven comparable counties. The Employer's offer is more comparable in each instance. That conclusion is based

**SCHEDULE A**

Available 1990 Health Care Data for LaCrosse & Union Comparable

<u>County</u>	<u>Total Premium \$</u>	<u>County \$</u>	<u>Employee \$</u>	<u>County %</u>	<u>Employee %</u>
Dodge	\$271.00	\$257.45	\$13.55	95%	5%
Eau Claire	?	?	0	100%	0%
Fond du Lac - (High Cost Plan)	\$242.00	\$215.00	\$27.00	80%	20%
(Low Cost Plan)	\$218.00	\$215.00	\$ 3.00	0	0
Jefferson	?	\$229.00	?	?	?
Manotowoc	?	?	0	100%	0
Marathan	?	?	0	100%	0
Monroe (1989)	\$292.00	\$254.00	\$38.00	87%	13%
(Potential 1990)	\$392.00	\$341.00	\$51.00	87%	13%
Ozaukee	?	?	0	100%	0
Sheboygan	?	?	?	?	?
St. Croix	?	\$220.00	?	90% of increase	10% of increase
Walworth	?	?	0	100%	0
Washington	\$250.00	\$230.00	\$20.00	92% + 50% increase	8% + 50% increase
Wood	?	?	?	88% in 1989	12% in 1989
LaCrosse					
Union Offer	\$322.00	\$322.00	0	100%	0
County Offer	\$322.00	\$306.00	\$16.00	95%	5%
Monitor Plan	\$263.00	\$263.00	0	100%	0

**NOTE** of four counties contiguous to LaCrosse, Monroe County pays 87% and Vernon County pays 75% with the employees paying the balance; Jackson and Trempeleau Counties pay 100% of premium cost.

upon the fact that no other county for which information has been provided is paying more than \$215 in health insurance premiums without some employee contribution toward the premium. La Crosse County's offer would permit the employees the option to continue their present coverage by contributing \$16 toward the \$322 premium. The employees can also choose to receive insurance under the Monitor Plan at a cost of \$263 to the County and no cost to its employees. The only other county which offers both high and low cost options is Fond du Lac where the employees pay \$3 toward the lower cost premium and \$27 toward the high cost plan.

No County other than La Crosse is paying as much as \$300 for group health unless Monroe County's premiums increased as contemplated in the Monroe contract. If in fact, the cost of premiums in Monroe jumped to \$392, the employee's exposure is capped at \$51 or 13% Cost. No cost information has been provided for Wood County's 1989 contract and there is no data provided for Wood County in 1990 - 1991. The arbitrator has assumed that the 88% to 12% split would be continued in future Wood County contracts.

Since no cost information is presented for Eau Claire, Manitowoc, Marathon, Ozaukee, and Walworth Counties, it is not possible to determine whether their existing policies are more comparable to the Union or the County's offer. It would not be proper to conclude that these counties' policies are most comparable to the Union offer simply because employees in those counties are not required to make a premium contribution toward an undescribed benefit. This is particularly true because La Crosse County has offered to pay 100% of the premium for the Health Monitor Plan.

The Union argues that the evidence does not support a finding of internal comparability with regard to the payment of health insurance premiums. To the extent that the County has not been able to achieve a consistent result through bargaining, the Union is correct. The evidence does establish, however, that the

county has consistently attempted to achieve agreements which would result in all County employees contributing either 5% or 10% of the cost of the higher cost plan. Except for the employees in this bargaining unit, all other employees have agreed to make that contribution at one time or another. The fact that the terms of two other employee contracts, which are also in arbitration, have permitted the employee contribution to slip to 4.4% during the hiatus does not destroy comparability. The evidence supports the conclusion that the Employer has established a pattern of settlements between the County and other La Crosse County Employees. The Employer has attempted to implement that pattern in this proceeding.

The dental insurance issue has been evaluated separately. Combining the limited dental insurance data which was available from other comparable counties with inconsistent health insurance information only served to confuse the dental issue.

Since 1985 La Crosse County has assumed the payment of a large portion of the dental insurance premium for its employees. During negotiations in 1985, a group dental health plan was provided in lieu of an HMO option for health insurance. During the first two years that dental insurance was in effect, the total premium of \$27.68 was shared \$20.05 (72% by the County and \$7.63 (28%) by the employees. (For the sake of brevity only family plan costs are compared. Single coverage cost is similar to family cost) Ever since 1985, the employee contribution has been \$7.63 per month. During the third and fourth years that dental coverage was provided, total premium cost increased by 24% and 4% respectively. During these years, the employee contribution dropped to 21% of cost. In 1989 the total premium was reduced by 9%, and the employees fixed contribution was equal to 23% of the \$33.08 premium.

In 1990 the total dental premium was increased by 43% to \$47.22. When La Crosse County settled with other units for 1990, it required the employees to pay 23% of the increased 1990 premium or \$10.86. Three of the bargaining units are represented

by Council 40, including the employees involved in the present dispute. These units have held to the position that their contribution toward dental insurance should be capped at \$7.63 per month. That \$7.63 would be equal to 16% of the 1990 premium.

Based upon this history, there is no pattern of internal comparables which favors either party's offer. The pattern of settlements favors the Union argument that the County is attempting to force a change of the status quo upon all of its employees. That change is much more dramatic in relationship to the dental insurance issue than it was in the County's health insurance offer. In the case of health insurance, all of the County's employees except the instant bargaining unit had previously agreed to contribute at least 5% toward premium cost. In the case of dental insurance, three significant bargaining units have resisted the proposed change.

The Union did not provide information about dental insurance payments in those four additional counties, it has considered comparable. A review of those portions of the Jefferson, Monroe, Ozaukee, and St. Croix County contracts which were provided suggests that none of these employers provide dental insurance. Of the county's preferred comparables, one half offer no dental insurance. Manitowoc offers a dental plan but the employees pay the entire premium. In only three of thirteen counties does the employer contribute toward dental insurance. In Dodge and Walworth Counties, the Employer pays 100% of dental premium. Sheboygan County pays 100% of single coverage and 49% of family premium. This comparison of external comparables heavily favors the Employer's offer.

#### WAGE OFFERS

Both parties have submitted a substantial quantity of information relating to the existing wage structure in La Crosse County and among their preferred comparable counties. The Union emphasized its comparison of 1989 wages paid by La Crosse County

compared to 1989 wages paid elsewhere. The County emphasized the effect of its 1990 - 1991 contract offer upon the wages paid to employees in this proceeding with the effect of the Union offer. In general terms all of this evidence supports two conclusions. The first is that the employees in the unit receive less in the way of wages, on the average, than similar workers in comparable counties. If the four lower paying contiguous counties were added to the pool of comparables, the Employer's 1990 wage offer would be very close to average. Reference has been made to the four contiguous counties in order to recognize wage information which has been provided for these counties. These smaller counties are not considered comparable to La Crosse County.

The second conclusion is that the Employer's two phased wage offer of \$.60 across the board during 1990 is .72 of one percent higher than wage only settlements in the county's recommended comparables, and .78 of one percent greater than the Union's 1990 wage only offer. As a result of the greater first year lift, the employees will be earning more at the end of 1991 at each of the six bench-marks cited by the County under the Employer's offer than those employees would receive under the Union offer.

In terms of wages only, all employees will fare better over the two year period under the County's offer, except for seasonal employees. The incremental cost of the Employer's two year offer is \$56,576 and \$55,133 for wages only compared to the Unions wage increase increments of \$46,635 and \$61,578 totaling \$111,709 and \$108,213 respectively. In addition to the \$3,496 difference, an additional \$958 which the Union would allocate to seasonal employees during the first year of the contract would be paid to full time employees under the Employer's offer. There is not a great dollar difference between these two offers over the two year period involved in this contract. Because the offers have been structured differently, however, the average full time employee will be earning an hourly rate of \$.20 per hour more at the end of 1991 under the Employer's offer, than under the Union's offer. Over the course of one year that difference

translates to an average of \$416 per employee or \$26,624 for 64 full time employees. Given the fact that these employees are generally lower paid than similar employees in comparable counties the structure of the County's offer, which will increase the average hourly wage, is more attractive to the arbitrator.

A small portion of the full time employee's gain is attributable to the fact that four seasonal employees would not receive any wage increase in 1990 under the County's offer. There is no evidence of wages paid to seasonal employees in other counties.

Mr. Mullem testified that based upon his 10 1/2 years of experience there has been a large turnover of seasonal employees. During 1990 only four seasonal employees were hired. In prior years, about 90% of the seasonal employees returned for employment. In 1990, there was a vacancy because one seasonal employee obtained full time employment elsewhere. Mr. Drogseth testified that he had not heard of a freeze on seasonal employee wages in his 9 years with the county.

Though the County has not included a 1990 wage increase for seasonal employees in its final offer, it has proposed to increase seasonal employee wages during 1991 by the same amount (4%) that it proposes to increase its full-time employees. The issue is, therefore, not one of a wage freeze. The question is whether the County's proposal that seasonal employees not receive a 1990 wage increase is reasonable. The seasonal rate which was in effect during 1990 attracted 17 qualified candidates to fill one vacant position. After screening by the County's Personnel Technician, five applicants were interviewed for the job before one was hired.

By the time the County made its final offer in this proceeding, its entire complement of seasonal employees for the 1990 contract year had been hired. The fact that there were 17 qualified applicants for one vacant position is evidence that the 1990 wage scale is reasonable. There is precious little other evidence in this record relating to wages for seasonal employees

in La Crosse County or elsewhere. Based upon the evidence, it appears that the County's proposal to not increase salaries for seasonal employees during 1990 is reasonable.

The Union argument that the County offer would penalize employees who were employed during 1990, but not in the County's employ at the conclusion of these proceedings is well taken. It is not fair, however, to place the blame for a hiatus during bargaining upon either party. The only evidence of any employee leaving employment during 1990 is the information that Mr. Bob Lee retired on June 1, 1990. The Union has argued that Mr. Lee's pay classification was higher than the other employee who performed security janitor work. It is not possible to determine if the Employer considered that argument when it fashioned its final offer. It is also not possible to find that the Employer's offer penalizes anyone.

The parties have raised other arguments to support their respective wage offers. Their references to the impact of income taxes upon wages in lieu of health benefits, longevity, additional costs of the Wisconsin Retirement System, cost of living, and prosperity in the agricultural community have been duly noted. Those arguments are part and parcel of all contract negotiations. The evidence in this proceeding has convinced the arbitrator that the structure of the employer's wage offer makes that offer preferable to the Union offer.

#### Other Issues

The Union offer addresses three preceived problems which the County's offer does not address. Only one of these proposals appears to have any effect upon a large segment of the county work force. That is the existing rule that employees who have earned two or more weeks of vacation may elect to split their vacation time for only one week into vacation days. The Union would like its employees to be able to split any vacation time in excess of one week into daily segments. The Union has argued

that comparability supports its position. The County has countered that the Union proposal would be burdensome and described all kinds of potential abuses which might occur if that proposal was adopted. Neither party has convinced the arbitrator that its position has sufficient merit to effect the outcome of this proceeding. After reviewing the arguments for and against additional split vacation time, it is apparent that the parties should be able to arrive at a suitable compromise after serious negotiation over this issue.

The Security Janitor's pay grade classification has been submitted to grievance arbitration. That proceeding has been adjourned in order to permit the parties to attempt to resolve the dispute during these contract negotiations. The record in this proceeding clearly states the origin and nature of the dispute. It does not suggest that either party's position has more merit than the other.

The Union has also proposed to incorporate a policy relating to promotions to protect the rights of employees who opt to take a demotion or lateral transfer. This suggestion is being made in these proceedings because of an unhappy experience an employee had recently. The Union apparently found itself in the middle of a dispute relating to the bumping rights of its members. An interest arbitration proceeding is probably the least satisfactory vehicle imaginable to address this type of situation. For that reason the issue, though noted, has not been weighed in the outcome of these proceedings.

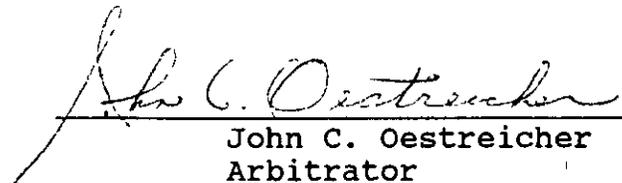
°  
Summary

The principal dispute which prevented the parties from arriving at an agreement relates to the payment of health and dental premiums. The Union has staked its position upon the argument that the Employer is attempting to take back a benefit which had previously been negotiated. It has argued that the Employer has not established the necessity to change the status

quo. The Union has fashioned its final offer to be very competitive in terms of cost during this two year contract period. The problems with that offer have been discussed above. While the Union offer is reasonable in terms of cost during the term of this contract period, it does nothing to address longer term economic issues.

The Employer's offer recognizes that increasing health and dental costs are an economic issue in this proceeding. This offer does not change the status quo for the reason that it is perfectly compatible with the language of Article XIII of the existing contract. While that contract provided for the County to pick up the full cost of health insurance during 1988-89, it does not guarantee that benefit in perpetuity. The Employer's offer incorporates a reasonable alternative for those employees who do not want to contribute toward the payment of insurance premiums. The Employer's health insurance offer is heavily supported by comparisons discussed above. The Employer's offer relative to the payment of the increased cost of dental insurance is reasonable and is supported by the evidence. Both parties' wage offers are reasonable, but the Employer's offer is preferred because it will marginally improve the salary structure for these employees at the conclusion of the contract period. The offer of La Crosse County, which is marked Exhibit I attached hereto, shall be incorporated into the 1990-1991 Collective Bargaining Agreement as required by law.

Dated this 3rd day of January, 1991, at Madison, Wisconsin.

  
\_\_\_\_\_  
John C. Oestreich  
Arbitrator

Resort # 2

MODIFIED COUNTY FIDELITY OFFER  
TO LOCAL 227, HIGHWAY & PARKS  
JULY 12, 1990

JUL 19 1990

WISCONSIN EMPLOYMENT  
RELATIONS COMMISSION

1. Article XIII. Insurance. County proposal is to pay 100% of the health insurance premium and the full amount of increase in the dental premium from January 1st to July 1st, 1990. Effective July 1st, 1990, the County's contribution to health insurance premium would be 95% expressed in dollar terms. Effective July 1st, 1990, the contribution to dental premium would be equal to the same percentages paid by the County and employee in 1989 as applied to the 1990 rates, the contribution to be expressed in dollar terms.

Amend the Article to read as follows:

"13.01. All eligible employees currently enrolled will continue to be covered on the County group medical, hospital and major medical plan and eligible new employees, as established by the carrier, shall be given the option to participate in the medical plan pursuant to the terms of the plan. There shall be no HMO plan. All eligible employees currently enrolled will continue to be covered under the County's group dental health plan. Eligible new employees established by the carrier shall be given the option to participate in the group dental health plan pursuant to the terms of the plan. The carrier or administrator of any plan shall be determined by the County. All credits resulting from providing such coverage shall accrue to the County.

13.02. Effective January 1st, 1990, the County will contribute the total amount of the contribution for health insurance premium and shall pick up any increase in dental premium above the employee contribution paid in 1989. Effective July 1st, 1990, the County will contribute up to the total amount set forth below as "health and dental" benefit to the monthly premium of the County's employee health and dental plan. In 1991, the County will pay the full amount of any increase in premiums for the health or dental plan and the employee's contribution will remain the same as in July, 1990. The employee will bear the cost in excess of the County's contribution for the option selected:

(A)	Family:	Health and Dental	\$342.10
		Health Only	\$305.74
		Dental Only	\$ 36.36
(B)	Single:	Health and Dental	\$127.63
		Health Only	\$114.20
		Dental Only	\$ 13.43

All employees participating in health and/or dental plans shall comply with those cost containment features set forth in the County Employee Health Benefits Plan.

There shall be two options for employees to chose their level of participation in the Health Plan.

13.02.1 High Level of Benefits Standard Plan. This employee option is the current high level benefit plan of group medical, hospital and major medical coverages. This option requires greater employee participation in premium.

13.02.2 Health Monitor Plan. This employee option shall provide a level of health benefits as outlined in the Health Benefits Booklet distributed by the Plan Administrator. This option requires less participation in premium than the High Level Plan. Enrollment for this option shall be open for those employees currently participating in the Health Plan, for a period of thirty (30) days following adoption of this agreement by the parties. Participating employees shall have the option to change plans once per year in November for the succeeding year.

13.03. Shall remain as currently written

13.04. Shall remain as currently written.

2. Section 17.05 Classifications and Pay Grades.

17.05.1 The following classifications and pay grades shall be effective January 1st, 1990, for all employees covered by this agreement who are employed on the date of ratification or award:

\$ .25 per hour across the board to each step of the wage scale, excluding seasonal

17.05.2 The following classifications and pay grades shall be effective July 1st, 1990, for all employees covered by this agreement who are employed on the date of ratification or award.

\$ .35 per hour across the board to each step of the wage scale, excluding seasonal

17.05.3 The following classifications and pay grades shall be effective December 30th, 1990:

4.0% increase across the board to each step of the wage scale, including seasonal

3. Section 18.04 - Classifications and Wages - Park Workers

18.04.3 The following classifications and pay grades shall be effective January 1st, 1990, for all employees covered by this agreement who are employed on the date of ratification or award:

\$ .25 per hour across the board to each step of the wage scale excluding seasonal

18.04.4 The following classifications and pay grades shall be effective July 1st, 1990, for all employees covered by this agreement who are employed on the date of ratification or award.

\$.35 per hour across the board to each step of the wage scale excluding seasonal

18.04.5 The following classifications and pay grades shall be effective December 30th, 1990:

Modified Final Offer 7/12/90  
Highway & Parks  
Page 3.

4.0% increase across the board to each step of the wage scale,  
including seasonal

4. Article XIX - Duration. Amend dates to reflect a two-year agreement for 1990-91.
5. Successor Agreement. Shall include all tentative agreements as attached.
6. All Other Items. All other items in the 1988-89 collective bargaining agreement shall remain status quo.

0052q-14